

**STATE OF MICHIGAN**  
**DEPARTMENT OF INSURANCE AND FINANCIAL SERVICES**  
**Before the Director of the Department of Insurance and Financial Services**

**In the matter of:**

**Irvine Neuro Rehabilitation  
Petitioner**

**v**

**File No. 21-1881**

**Auto Club Group Insurance Company  
Respondent**

---

**Issued and entered  
this 18<sup>th</sup> day of February 2022  
by Sarah Wohlford  
Special Deputy Director**

**ORDER**

**I. PROCEDURAL BACKGROUND**

On December 20, 2021, Irvine Neuro Rehabilitation (Petitioner) filed with the Department of Insurance and Financial Services (Department) a request for an appeal pursuant to Section 3157a of the Insurance Code of 1956 (Code), 1956 PA 218, MCL 500.3157a. The request for an appeal concerns the determination of Auto Club Group Insurance Company (Respondent) that the Petitioner overutilized or otherwise rendered or ordered inappropriate treatment, products, services, or accommodations under Chapter 31 of the Code, MCL 500.3101 to MCL 500.3179.

The Petitioner's appeal is based on the denial of physical therapy bills pursuant to R 500.64(3), which allows a provider to appeal to the Department from the denial of a provider's bill. The Respondent issued its bill denial to the Petitioner on November 9, 2021. The Petitioner now seeks reimbursement in the full amount it billed for the dates of service at issue.

The Department accepted the request for an appeal on January 11, 2022. Pursuant to R 500.65, the Department notified the Respondent and the injured person of the Petitioner's request for an appeal on January 11, 2022 and provided the Respondent with a copy of the Petitioner's submitted documents. The Respondent filed a reply to the Petitioner's appeal on January 25, 2022.

The Department assigned an independent review organization (IRO) to analyze issues requiring medical knowledge or expertise relevant to this appeal. The IRO submitted its report and recommendation to the Department on February 7, 2022.

## II. FACTUAL BACKGROUND

This appeal concerns the denial of payment for four sessions of physical therapy to an individual injured in an automobile accident in 2001. The injured person suffered a traumatic brain injury and fractures of the hand, hip, ribs, pelvis, and sacrum. At issue in this appeal are therapy sessions provided on October 13, 21, 25, and 26, 2021.

With its appeal request, the Petitioner submitted records of the therapy sessions. In its appeal, the Petitioner stated that the injured person has complex neurologic and orthopedic injuries requiring ongoing skilled therapy to address deficits with balance, gait, strength, neuromuscular and cognitive function.

In its reply, the Respondent stated that the medical records do not support the Petitioner's request. According to the Respondent, more than 100 sessions of physical therapy have been provided since March 2017. Additional physical therapy would exceed American College of Occupational and Environmental Medicine (ACOEM) and Official Disability Guidelines (ODG) recommendations.

## III. ANALYSIS

### Director's Review

Under MCL 500.3157a(5), a provider may appeal an insurer's determination that the provider overutilized or otherwise rendered inappropriate treatment, products, services, or accommodations, or that the cost of the treatment, products, services, or accommodations was inappropriate under Chapter 31 of the Code. This appeal involves a dispute regarding overutilization.

The Director assigned an IRO to review the case file. The IRO reviewer is a licensed physical therapist in practice for 28 years. The IRO reviewer concluded, based on the submitted documentation, that the physical therapy treatments provided to the injured person on the dates in question were overutilized in frequency and duration in accordance with medically accepted standards as defined by R 500.61(i). Relying on the American College of Occupational and Environmental Medicine guidelines for traumatic brain injury physical therapy, Official Disability Guidelines, and guidelines issued by the American Physical Therapy Association, the IRO reviewer wrote:

[Per the ACOEM guidelines], [p]hysical therapy is recommended for use in the treatment of chronic severe or moderately severe TBI patients with functional physical deficits. Six to 10 sessions of 30 to 35 minutes each, 1 or 2 times a week for 4 to 6 weeks. Objective improvements should be shown approximately halfway through the regimen to continue a 10-session treatment course. Self-applications of heat therapy, including a heat wrap, are recommended for treatment of acute, subacute, or chronic low back pain. However, use in chronic low back pain (LBP) is suggested to be minimized to flare-ups with the primary emphasis in chronic LBP patients being placed on functional restoration elements including aerobic and strengthening exercises.

**Official Disability Guidelines (ODG).** Physical/Occupational Therapy (PT/OT) for Chronic Pain Physical/Occupational Therapy (PT/OT) for Pain Recurrences and

Flare-ups. Based on prior treatment success, 1-2 visits every 4-6 months for return of significant functional limitations, when a positive response to repeat therapy is likely.

**American Physical Therapy Association (APTA).** The APTA states that the therapist must re-examine the patient as necessary during an episode of care to evaluate the progress or change, update the patient's status, including goals and outcomes and modify the plan of care and intervention program accordingly. It also states that the physical therapist concludes an episode of care when the goals and outcomes for the patient have been achieved, when the patient is unable to further progress towards goals, or when the physical therapist determines that the patient will no longer benefit from physical therapy.

According to practice guidelines referenced above, the physical therapy treatments rendered on 10/13/2021, 10/21/2021, 10/25/2021 and 10/26/2021 were all overutilized in frequency and duration.

ACOEM guidelines recommend 6 to 10 sessions of 30 to 35 minutes each, 1 or 2 times a week for 4 to 6 weeks. Objective improvements should be shown approximately halfway through the regimen to continue a 10-session treatment course. In this episode of care, the patient had 21 visits from 5/25/2021 to 10/26/2021, exceeding both recommended number of visits and time frame. On 10/13/2021, the patient had already had 18 physical therapy visits in this episode of care. There was no re-examination or re-evaluation in the records submitted for review; consequently, there were no demonstrations of any objective improvements. The request for coverage of the 4 visits rendered on 10/13/2021, 10/21/2021, 10/25/2021 and 10/26/2021 does not meet ACOEM criteria for approval.

ODG recommend 1-2 visits every 4-6 months for return of significant functional limitations, when a positive response to repeat therapy is likely. The patient has had approximately 130 physical therapy visits since 2017 and she returned on 5/25/2021 for a new episode of care; however, she has had 21 physical therapy visits since her return, far exceeding the recommended 1 to 2 visits by the ODG. In addition, a positive response to repeat therapy is not likely since the treating physical therapist indicated on each daily note that the "patient is maintaining her current functional mobility, with no changes in functional strength".

The APTA states that the therapist must re-examine the patient as necessary during an episode of care to evaluate the progress or change, update the patient's status, including goals and outcomes and modify the plan of care and intervention program accordingly. It also states that the physical therapist concludes an episode of care when the goals and outcomes for the patient have been achieved, when the patient is unable to further progress towards goals, or when the physical therapist determines that the patient will no longer benefit from physical therapy.

However, the treating physical therapist did not submit for review any re-examination or re-evaluation, and there were no measurable data provided on any subjective, objective or functional data. None of the clinical notes for dates of service 10/13/2021, 10/21/2021, 10/25/2021 and 10/26/2021 included any demonstrations of any improvements. As stated by the APTA, the physical

therapist concludes an episode of care when the physical therapist determines that the patient will no longer benefit from physical therapy. The patient should have been discharged before 10/13/2021.

The IRO reviewer recommended that the Director uphold the Respondent's determination.


#### IV. ORDER

The Director upholds the Respondent's November 9, 2021, determination.

This order applies only to the treatment and dates of service discussed herein and may not be relied upon by either party to determine the injured person's eligibility for future treatment or as a basis for action on other treatment or dates of service not addressed in this order.

This is a final decision of an administrative agency. A person aggrieved by this order may seek judicial review in a manner provided under Chapter 6 of the Administrative Procedures Act of 1969, 1969 PA 306, MCL 24.301 to 24.306. MCL 500.244(1); R 500.65(7). A copy of a petition for judicial review should be sent to the Department of Insurance and Financial Services, Office of Research, Rules, and Appeals, Post Office Box 30220, Lansing, MI 48909-7720.

Anita G. Fox  
Director  
For the Director:

X 

---

Sarah Wohlford  
Special Deputy Director  
Signed by: Sarah Wohlford